



# MissouriEnterprise

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Department of Economic Development

## Holden announces CitiMortgage's intentions to expand in Missouri

One of the nation's premier mortgage lending and servicing companies announced its intentions to expand in the St. Louis region.

In January, Gov. Bob Holden participated in a news conference in which CitiMortgage announced plans to consolidate its operations in O'Fallon, Mo. The company had considered relocating these jobs out of state, but now expects to invest \$85 million to construct a 515,000-square-foot facility in O'Fallon's new commercial development named Progress Point.

As a result of CitiMortgage's growth in St. Charles County, 3,500 jobs will be retained in Missouri and another 1,500 new jobs will be created in the St. Louis region within three years. Overall, the Missouri Department of Economic Development (DED) has calculated that this project will have a net benefit to the state of more than \$63 million.

"Through its pledged commitment to growth, CitiMortgage has truly demonstrated confidence in the business climate of Missouri and particularly the St. Louis region," Holden said.

"This expansion will benefit the region in several ways: through new jobs, substantial private investment, increased revenues, and philanthropic gestures."

The city of O'Fallon, St. Charles County and the St. Louis Regional Chamber and Growth Association (RCGA) are working in partnership to facilitate this expansion.

The state has determined that CitiMortgage is eligible to apply for training funds through the Community College New Jobs Training Program. The Missouri Development Finance Board has granted preliminary approval to issue \$6.1 million in BUILD Missouri bonds.

CitiMortgage was also considering a site at Farmington Hills, Mich. Instead, the corporation anticipates that the new CitiMortgage Campus in O'Fallon will be completed by mid to late 2003 and will eventually house approximately 5,000 employees, making it one of CitiGroup's largest North American processing sites.

CitiMortgage is a member of CitiGroup and has operated its mortgage business in the greater St. Louis Metropolitan area since 1979. It is one of the nation's largest mortgage lending and servicing operations.



Expansions are in  
your future

## Magellan Health Services will expand in St. Louis County

Gov. Bob Holden joined company and local officials in January to announce Magellan Health Services' plans to consolidate and expand its national service center in the St. Louis area. The Magellan project represents a \$47 million investment in the community.

The company had considered sites in Utah and Maryland, but ultimately decided to expand in St. Louis. As a result, Magellan Health will relocate its operations to three buildings in TRiSTAR Business Communities' Riverport Commons development in Maryland Heights. This expansion will result in more than 1,400 full-time jobs being retained, as well as the creation of nearly 500 new full-time jobs.

Officials from the Missouri Department of Economic Development, St. Louis Regional Chamber and Growth Association, St. Louis County and AmerenUE worked in partnership with the company to facilitate this project.

The Missouri Development Finance Board approved more than \$6 million in BUILD

Missouri bonds to help support the project. In addition, the state has found the company to be eligible for a comprehensive incentive package that includes state workforce development programs and business facility tax credits.

Local assistance was provided through the issuance of Chapter 100 Bonds for the construction of the new facility. As part of its agreement with St. Louis County, Magellan will contribute financially to establish and support local community development projects.

Also as part of the state and local partnership to attract the Magellan facility to Maryland Heights, AmerenUE provided site location services, technical engineering assistance and the company's Economic Development Rider (EDR) - a performance-based energy incentive designed to improve overall system efficiencies for the benefit of all customers.

Columbia, Md.-based Magellan Health Services, Inc. is the country's leader in employee



assistance programs and managed behavioral health care, serving approximately 70 million individuals nationwide. The company serves over 3,000 client organizations representing health plans, government agencies, unions, and corporations.

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DEPARTMENT OF ECONOMIC DEVELOPMENT  
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## 2002 MAC Awardees



Governor Bob Holden and First Lady Lori Hauser Holden presented the 2002 Missouri Arts Awards at the Capitol Rotunda on February 13.

Joining Gov. and Mrs. Holden are the 2002 Missouri Arts Awards recipients. Bottom from left: Linda Melkersman, Sikeston, Arts Education category; Artistic Director William Whitener, Kansas City Ballet, Arts Organization category; Bebe Grimes, St Joseph, Philanthropy category; and Bill Kohn, St. Louis, Individual Artist category. Top from left: Executive Director Jeffrey Bentley, Kansas City Ballet, Arts Organization category; Gordon McCann, Springfield, Leadership category; and Governor and Mrs. Holden.

### Black Economic Union secures contract for minority arts program

The Missouri Arts Council (MAC) has again selected the Black Economic Union of Greater Kansas City as the contractor for its Minority Arts Program.

The Black Economic Union is a 34-year-old nonprofit community development corporation located in the historic 18th and Vine District in Kansas City. Its mission is to enhance the quality of life of African Americans and other minorities by promoting economic, social and physical redevelopment and revitalization of distressed or blighted communities within greater Kansas City.

The funding priority of the program, as charged by a statewide citizen's task group and an advisory panel, is to support minority-managed organizations with minority-developed arts focused projects. In its first round of funding in FY99, the Missouri Arts Council awarded \$245,000 through the program. In FY02, grant awards increased 78.5 percent to \$437,400.

Guidelines for FY03 are available by calling the arts council office at 314-340-6845, or on the web at [www.missouriartscouncil.org](http://www.missouriartscouncil.org).



## CALENDAR

### March 13

Missouri Service Day  
Jefferson City

### March 21 - April 2

Legislative Spring Break

### March 26-27

2002 Governor's Conference on Housing  
Columbia

### May 8

Truman Day (state offices closed)

### May 17

Session Ends

### May 29-31

2002 Governor's Economic  
Development / MEDC Conference  
Lake Ozarks

## Holden announces steps to strengthen economic security for Missouri families

Gov. Bob Holden announced the first in a series of steps designed to build economic security for Missouri families during a news conference held in downtown Kansas City in early January.

The steps are designed to assist Missourians in taking advantage of many available resources to help them find jobs, access job training programs, pursue new career opportunities, and help employers find qualified workers quickly. The steps will be achieved by reallocating existing funds. These services are free of charge to all Missourians.

"For Missouri's economy to grow, for our quality of life to improve, for our children to have an opportunity to reach their full potential, we need to provide opportunities for Missouri families to build economic security and encourage investment from business in our communities," Holden said. "These opportunities must be provided in both good economic times and challenging economic times. Building economic security is the key to Missouri's future."

**Steps for economic security:**

**Customized Job Training:** The first of several steps toward building that investment is the awarding of customized job training grants. These grants will be used to assist employers both in retaining employees and creating new jobs.

**Missouri Career Centers:** Holden announced a renewed emphasis on the Missouri Career Centers, which are one-stop shops located around the state that provide Missourians career counseling services. These include

assistance with job search and resume skills, job training opportunities and matches with potential employers. These centers also provide assistance to employers by screening potential applicants and offering business and labor market information.

**Jobs Hotline:** The governor also announced a new toll-free jobs hotline, 1-888-728-5627 (JOBS). The number can be called from anywhere in the state and will ring at the Career Center closest to the caller. This will provide Missourians quick access to career counselors who are familiar with their region.

**Web Site:** A new web site, [GreatHires.org](http://GreatHires.org), will give both employers and job seekers access 24 hours a day to the resources provided through the Career Centers. Employers can use the site to post job openings and job seekers can post resumes. In addition, career counseling, education and training information will be available through the web site.

**Bi-Lingual Capabilities:** Holden has asked that all these services be available in multiple languages in recognition of Missouri's growing diversity. GreatHires.org currently features job information in Spanish, with more languages to be added later.



The Mall of America

## National Product Search

April 26-28, 2002

Do you have a product that you think would be perfect for QVC? Does it demonstrate well? Solve a common problem or make life easier? Does it have unique features and benefits? Is it topical or timely? If so, this may be your opportunity of a lifetime.

On April 26-28th, QVC will be holding a national product search at the Mall of America in Bloomington, Minnesota. If you're interested in participating, please fill out the registration form at [www.QVCProductSearch.com](http://www.QVCProductSearch.com), or call 1-866-302-4633. You'll learn everything you need to know to determine whether QVC could be the right next step for you or your business.

## The State of Employment

For the first time in nearly a year, Missouri's non-farm payroll employment reflected an increase — a tentative indication that Missouri labor market conditions may be showing signs of improvement.

According to the latest employment and unemployment data released by the Missouri Department of Economic Development (DED), the state's unemployment rate increased by five-tenths of a percentage point from 4.8 percent in December to 5.3 percent in January.

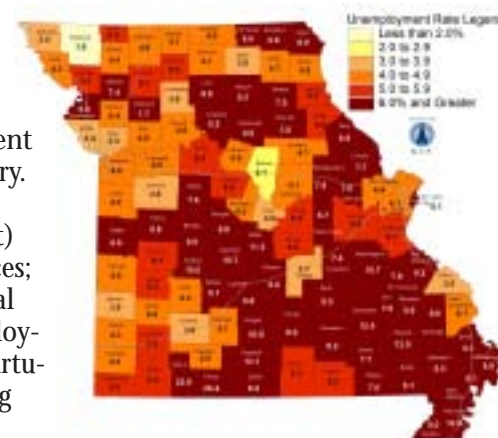
Taking into account usual seasonal changes in unemployment, however, Missouri's seasonally adjusted unemployment rate fell to 4.7 percent in January from a revised December rate of 4.9 percent. The seasonally adjusted figure is calculated by the federal Bureau of Labor Statistics to account for regular increases or decreases that historically affect the unemployment rate at the same time each year.

Likewise on the national level, the seasonally adjusted unemployment rate decreased two-tenths of a percentage point from 5.8 percent in December 2001 to 5.6 percent in January 2002. However, unlike Missouri's rise in non-farm payroll employment, the number of working people decreased by 89,000 throughout the nation in January.

Non-farm payroll employment increased by 8,400, on a seasonally adjusted basis, to 2,703,600 in January. The increase, the first one since February 2001, came primarily in retail trade, health services, and state and local government.

Manufacturing employment (not seasonally adjusted) was down by about 3,600 jobs to 364,400 in January. A temporary inventory-adjustment layoff at an automobile plant contributed to this decrease. Construction employment dropped by 7,300 jobs, a typical seasonal decrease for January.

Over-the-year job losses remain significant. Across all industries, employment is down by 41,700 jobs (1.5 percent) from January 2001. Construction; eating and drinking places; finance, insurance, and real estate; health services; and local government, including public schools, all have higher employment than a year ago, totaling 21,200 jobs. Job losses in virtually every other industry, including 26,600 in manufacturing alone, far out-weighted these gains, however.



To make Missouri the best place to live, work, vacation and conduct business.



2002 Governor's Conference on Housing

# WORKING TOGETHER FOR HOUSING

The Governor's annual statewide affordable housing conference offers housing professionals and Missouri citizens an opportunity to keep abreast of the latest developments in affordable housing while networking with their counterparts. The conference is sponsored by the Missouri Housing Development Commission in partnership with state agencies, social service providers and professional participants including representatives from local government, for profit and nonprofit organizations, financial organizations, social service agencies and housing advocates from across the state. Visit us online at [www.mhdc.com](http://www.mhdc.com) for a complete listing of conference agenda, workshops, on-line registration and hotel information.

## WORKSHOPS

Financing Multifamily Housing 101  
Economic Development & Housing  
Preserving Older Assisted Housing  
Asset Management & Tax Credit Compliance  
MRB Lender Training  
MRB Realtor Training  
Accessibility... Going Beyond the Rules

Building Energy Efficient Housing  
What's New at Fannie Mae and the Federal Home Loan Bank?  
Historic Rehabilitation Downtown  
Community Policing & Affordable Housing  
Preventing Homelessness  
Rural Homeownership: Issues and Challenges



The Keynote Speaker for the 2002 MDHC Governor's Conference will be

**Conrad Egan,**  
Executive  
Director of the

Millennial Housing Commission. The Millennial Housing Commission was created by the U.S. Congress to recommend ways to better support good housing for all Americans.

*Sponsored by the Missouri Housing Development Commission*

**March 26-27**

**Holiday Inn Select  
Executive Center**  
Columbia, Missouri

## State awards funds to aid regional marketing efforts

The Department of Economic Development (DED) has awarded more than \$150,000 in Regional Cooperative Marketing Program funds to 10 organizations throughout the state. The funds will support regional marketing efforts to attract new business and industry. This is the third year regional marketing funds have been awarded. In the first two years of the program, organizations that received money attracted more than \$130 million in new or expanded business facilities, which resulted in 1,251 new jobs for Missourians.

Awards were granted to the following regional organizations:

Boonslick Regional Planning Commission	\$14,000
Bootheel Regional Planning Commission	\$15,300
Kaysinger Basin Regional Planning Commission	\$14,500
Mark Twain Rural Development Corporation	\$15,300
Northeast Missouri RPC/Rural Development Corporation	\$15,300
NW Roundtable	\$15,300
Ozarks Regional Economic Partnership	\$15,300
South Central Ozarks Council of Governments	\$15,300
Southeast Missouri Regional Planning & Economic Development Commission	\$15,300
Southwest Missouri Development Alliance	\$14,500

Awards were determined based on these specific criteria: the economic distress of the region, the need to supplement existing marketing funds in the region, innovative and effective marketing techniques used by the region that may be implemented by others, probability of success of the proposed marketing efforts, past performance of those who were prior award recipients, cooperation of local entities within the region and whether or not the region is likely to be sustainable.

# NEWS BRIEFS

### Eleven county area awarded state grant to establish small business loan program

The Missouri Department of Economic Development awarded a \$100,000 Microenterprise Loan program grant to Livingston County, on behalf of the 11-county region in north central Missouri called Green Hills.

The Microenterprise Loan program provides funds to local governments and eligible non-profit organizations to establish loan programs for microenterprise assistance. Local entities awarded grants by this program can develop a flexible program according to the needs of their community, which may include low interest loans, forgivable loans or loan guarantees.

Green Hills Rural Development Inc. will administer the grant money by establishing a Microenterprise Loan pool to provide financing for small businesses (those with five or fewer employees). Green Hills will contract with Livingston County for policy oversight and loan review screening, with the Green Hills Board of Directors serving as the loan review committee. The project will be based at the Livingston County clerk's office.

The purposes of the loans are to promote entrepreneurship, expand the job base for low to moderate-income persons, and diversify services offered in the region, enhancing the quality of life.

The new grant will benefit the counties of Caldwell, Carroll, Chariton, Daviess, Grundy, Harrison, Linn, Livingston, Mercer, Putnam and Sullivan. Those counties lie within the boundaries of the Green Hills Regional Planning Commission, which prepared the grant application.

### Clinton, Washington named semifinalist in national Main Street Awards competition

The Missouri cities of Clinton and Washington have been named semifinalists in the "Great American Main Street Awards" (GAMSA) contest sponsored by the National Main Street Center.

The Great American Main Street Awards, coordinated by the National Main Street Center,

are given annually in recognition of exceptional accomplishments in revitalizing America's historic and traditional downtowns and neighborhood commercial districts. Five awards are given each year, with each winning community receiving a \$2,500 prize to further its revitalization activities, a bronze plaque, two road signs commemorating its achievements and a certificate marking this achievement.

The award winners will be announced at the national conference in Ft. Worth, Texas, on April 8.

### Award granted to Lincoln Co. transportation system

Lincoln County recently received a state grant to establish a public transportation system that will help residents gain better access to employment, health care and retail outlets.

The Department of Economic Development (DED) approved a \$143,900 innovative grant through the Community Development Block Grant (CDBG) program for Lincoln County. The grant will be used to fund a new project called the Lincoln County Public Transportation Service, which is proposed as an initial two-year program.

Lincoln County will contract with OATS Inc. to provide the transportation service. OATS will provide three vehicles from 6 to 10 a.m. and from 3 to 6 p.m. to run established routes; one of them will run through the county, one of them will run in Troy and the third will be available for call ahead scheduled rides. Between 10 a.m. and 3 p.m., OATS will provide two vans on a dispatched basis.

### MorPower to build industrial products in Marshall

The Department of Economic Development (DED) has awarded a \$750,000 Action Fund Loan to the city of Marshall on behalf of MorPower LLC, a start-up company.

MorPower is spinning off of Nebraska-based Bradson Industries. MorPower will build generators, power washers, air compressors and other industrial products currently produced by Bradson. The Nebraska facility will continue to produce its heavy equipment line.

The Action Fund Loan will fund working capital,

machinery and equipment for MorPower, allowing them to move into an existing 30,000 square-foot building in the Marshall-Saline Industrial Park. MorPower will create at least 30 jobs over the next two years.

### Funds granted to Meramec transportation system

The Department of Economic Development (DED) approved a \$65,620 innovative grant through the Community Development Block Grant (CDBG) program for a transportation system in the Meramec region. The application was filed by Phelps County on behalf of Meramec Community Enhancement Corporation, a division of the Meramec Regional Planning Commission.

The project to be funded by the grant is the continuation of the original Transportation Connections program. Currently, the program runs contracted routes with transportation providers through Phelps, Dent and Crawford counties. The program would expand to include Osage, Maries, Gasconade and Washington counties, and would include car pooling and possible car purchasing services. The goal of the program is to provide reliable transportation so that residents can get to and from child care providers and work.

### State loan helps Sequel Mfg. stay in business

The Department of Economic Development (DED) awarded a \$750,000 Action Fund Loan to the city of Willow Springs on behalf of Sequel Manufacturing Company, LLC. The company, formerly known as Sequel Corporation, recently reorganized under its new name after filing for bankruptcy last year. Sequel Manufacturing will continue operations at the same facility and with the same workforce.

In addition to retaining jobs, the loan will help Sequel to add 50 new jobs. The project represents a \$1.6 million investment. Sequel manufactures engines and parts for automobiles, light trucks and boats. The Action Fund Loan will cover costs of machinery, equipment and working capital. Sequel has been operating in Willow Springs since 1985.



Manufacturing employment decline impacting all regions of Missouri

Between October of 2000 and September of 2001, Missouri’s manufacturing employment dropped in all 13 economic regions of the state and fell 6.2 percent overall, according to a Missouri Department of Economic Development (DED) study. A total of 24,459 manufacturing jobs were lost during that time period.

Since last September this trend has continued with announcements of layoffs, closings, and warnings of future layoffs in the manufacturing sector. And until this trend is reversed, Missouri will likely have a difficult time moving toward significant economic recovery.

The report, from DED’s Economic Research and Information Center, showed that during the time period studied, 95 of the state’s 115 counties (including city of St. Louis) have experienced some decline in manufacturing employment.

DED Director Joseph L. Driskill pointed out that manufacturing jobs tend to be higher paying and because of that, the loss of those jobs has a much greater economic impact. In addition, with manufacturing jobs on the decline, it is also more difficult for employees who have lost their jobs in this sector to find new jobs comparable to the ones they lost. When a manufacturing facility closes or reduces its production, not only are employees affected, but also companies that provide supplies and support for those facilities.

“As long as our manufacturing base is on the decline it will be very difficult for Missouri to experience a significant economic recovery,” warned Driskill. “Over the next few weeks we intend to assess this situation to determine how much this statewide decline is tied to the national recession and what steps can to be taken on a community, regional, statewide and national basis to reverse this very troubling trend.”

A copy of the full report and a breakdown by region is available on the Department of Economic Development web site at <http://www.ecodev.state.mo.us/research/>.

Change in Manufacturing Jobs by Region  
October 2000 - September 2001

Region	Change	% Change
Bootheel	-1,317	-7.9%
Central	-1,860	-8.2%
Kansas City Metro	-3,887	-6.0%
Lake Ozark - Rolla	-1,531	-10.5%
Lower East - Cape	-1,088	-6.6%
North Central	-468	-7.5%
Northeast	-998	-10.4%
Northwest	-997	-8.8%
Saint Louis Metro	-5,936	-3.8%
South Central	-628	-7.8%
Southwest	-1,671	-5.0%
Springfield	-1,875	-8.2%
West Central	-2,203	-16.1%
Missouri	-24,459	-6.2%

CONFERENCE

Building Economic Security for Missouri Communities

The Lodge of Four Seasons, Lake Ozark  
May 29-31, 2002

Featuring **AFTERBURNER** seminars

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☐ Sign me up for the DED Conference only (\$140)

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Exp. date \_\_\_\_\_

Registration Form

(Please type)

Mr Mrs Ms	Registrant Name	Organization Name	Address / City & Zip Code	SESSIONS ONLY	KEYNOTE LUNCH	EVENING RECEPTION	CONTINENTAL BREAKFAST	CLOSING LUNCHEON SESSIONS	TOTAL
E-mail	Phone/ Fax			\$40	\$30	\$45	\$20	\$30	

Return this form to Missouri Community Betterment Educational Fund, Inc. with payment for each attendee’s fee. The all inclusive price of \$220 covers the cost of the conference activities May 29-31. Hotel lodging costs are separate and are the responsibility of the attendees. The hotel room reservation telephone number has been included for your convenience. Call The Lodge of Four Seasons (800-The Lake) for rates and information. The cut-off date for room reservations is Monday, April 29, 2002. If you wish to attend only a portion of the conference, individual costs are listed on the registration form. Note: Session attendees must pay the \$40 registration fee even if they do not plan to attend any of the meal functions. Spouses or guests not attending the conference sessions, but participating in the meal functions do not need to pay a registration fee. Persons who register at the door will be charged a \$15 late fee. All reservations must be received in the office by noon, Wednesday, May 22, 2002. No refunds will be made after that time. However, reservations are transferrable and substitutions at any time are allowed and recommended. Refunds must be requested in writing and will be mailed after the conference. A \$10 cancellation fee will be deducted. Missouri Community Betterment Educational Fund, Inc. is a not-for-profit corporation and does not assume any liability for any injuries to persons or property which might arise out of or during the course of the Governor’s Economic Development Conference, or any activities carried on by private groups during the conference. Registration at the conference constitutes a release of Missouri Community Betterment Educational Fund, Inc. from any and all claims the registrant may have against said corporation in connection with said conference.

HOTEL RESERVATIONS

Call The Lodge of Four Seasons for hotel reservations. Please ask for the conference room rate.

1-800-THE-LAKE

MEDC  
What A Way To Grow



Mail this registration form in by May 22, 2002.

Checks make payable to MCB Educational Fund, Inc.  
Mail to: P.O. Box 1482, Jefferson City, MO 65110

For more information on the conferences call  
Pat Amick (MEDC) at 573/636-7383 or  
Rebecca Hoelscher (DED) at 573/751-1691.

Visit our Web site at

[www.missouridevelopment.org](http://www.missouridevelopment.org)

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